

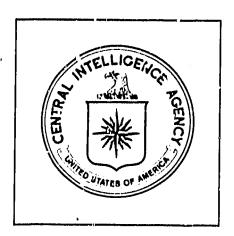
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STAFF NOTES:

Soviet Union Eastern Europe

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March 11, 1975

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SOVIET UNION - EASTERN EUROPE

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome.

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Polish Workers Demand More Meat

The Gierek regime has apparently increased meat supplies in Warsaw in the wake of minor disturbances over shortages. Several Polish journalists have commented that the public is "aroused and in bad humor," and some embassy sources say that public disturbances recently took place in Warsaw's two largest supermarkets. The police were reportedly summoned to restore order, but no arrests were made.

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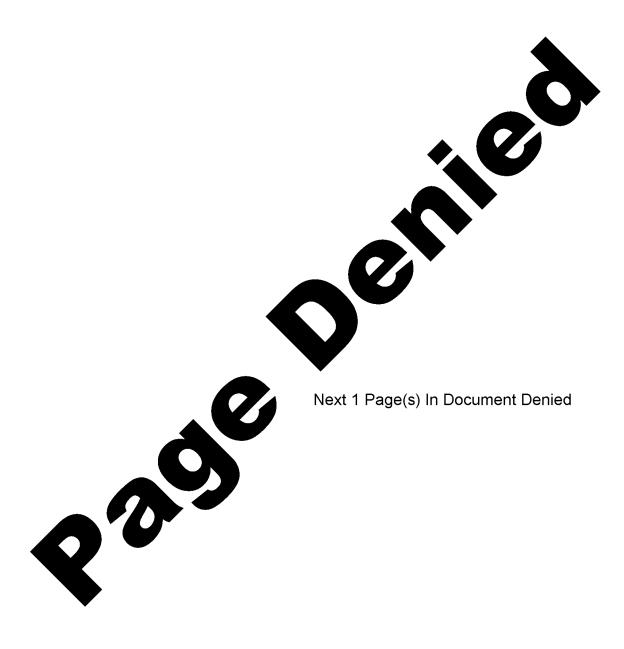
In nationally televised speeches last Thursday, party leader Gierek and Prime Minister Jaroszewicz frankly admitted that shortages exist. Gierek assured his listeners that the government is already making great efforts to solve the problem and suggested there would soon be "perceptible results." The embassy confirms that Warsaw stores have indeed received increased quantities of meat to sell.

The regime has probably alleviated the immediate problem, but it will have to pay continuing attention to consumer demands if it wants to avoid further and more serious problems. Over the past four years, the real wages of Polish workers have increased significantly faster than the availability of such major items as new nousing, cars, and furniture. As a result, the Poles have sought to use some of their increased purchasing power to buy higher quality foods, which now also seem to be in short supply.

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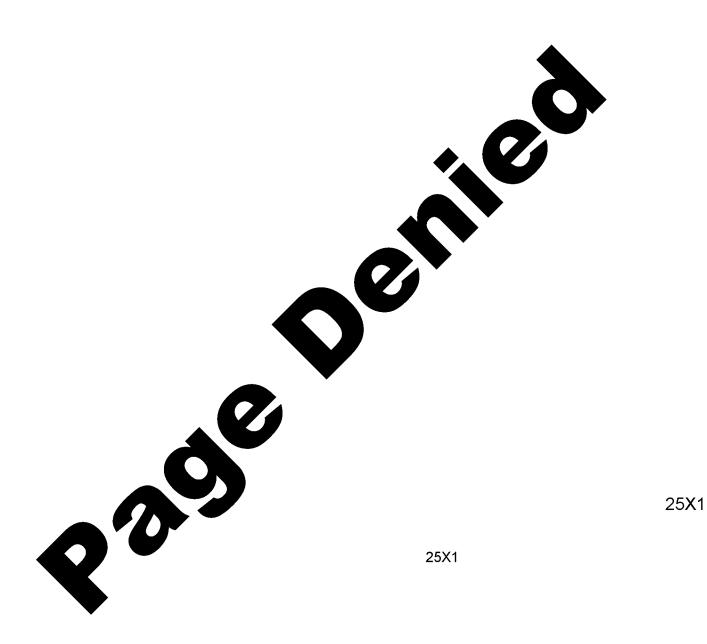
Brezhnev's Farm Program Paying Off for Consumers

The Soviet diet-long a major area of consumer complaint-has improved dramatically under the current leadership. Per capita consumption of meat has risen by nearly a third since 1965; egg consumption is up by almost two thirds. Food supplies in general are now far larger than a few years ago; queues of shoppers-a Soviet tradition-are much shorter.

The improvement in diet will continue at least through the remainder of 1975. Further increases in the supplies of livestock products will be made possible by the nearly 4-percent increase in livestock herds and the 10-percent growth in the supply of poultry over the last year. Domestic meat production will be augmented by the recent purchase of 40,000 tens of Australian beef.

Per capita consumption of dairy products is now roughly the same in the US and the USSR, but average meat consumption in the USSR is less than half that in the US and egg consumption is 70 percent of the US level. At growth rates achieved under the current regime, it will be nearly 30 years before Soviet meat consumption reaches current US levels; egg consumption will probably reach today's US levels in seven years.

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Ruffled Feathers in Tanzania

President Nyerere of Tanzania is evidently angry over the second cancellation of a projected trip to Dar es Salaam by Soviet President Podgorny. Fodgorny was supposed to make the visit in late February. The Tanzanian Ministry of Foreign Affairs doubts that Nyerere will invite Podgorny anytime soon, if ever, but Tanzania's interest in Soviet military assistance will probably keep the affair from being allowed to damage seriously Tanzanian-Soviet relations.

The Podgorny cancellations seem to have resulted more from Soviet diplomatic bumbling than from any decline in Moscow's interest in Tanzania. In fact, only last November, Moscow agreed to provide \$40-million worth of military equipment, including surface-to-air missiles, anti-aircraft guns and artillery. A \$34-million deal reached earlier in 1974 provided for the delivery of MIG-21 fighters and for associated support equipment and training. With one eye on the Chinese, Soviet officials in Dar es Salaam have been working hard to convince the Tanzanians of the superiority of Soviet equipment and training. Chinese military assistance to Tanzania so far has totaled about \$62 million, and there is no indication that Chinese aid will be cut back in the near future.

So far, the implementation of Soviet Tanzanian military agreements has not hit any serious snags.

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One probable casualty in the affair, however, is the proposed consular agreement that would increase the size of Moscow's diplomatic mission in Tanzania. The

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proposal has been viewed with suspicion by Tanzanian officials, who fear that the presence of more Soviets would enhance the possibility of espionage activity. The document is now in the legal department of the Foreign Ministry for study and may be allowed to remain there for some time as a way of showing
displeasure at the Podgorny snub.

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Hungary at the Crossrcads

The Staff Notes today begins a threepart series on Hungary prior to the party
congress that opens next Monday. We assume the congress will reaffirm the leadership of party chief Kadar and the essential elements of the policies he has
fostered over his 18 years in office. Some
high-level personnel changes are likely to
be made, however, and a further trimming
of the relatively liberal Hungarian cultural and economic policies seems in the
cards. Today we consider the prospective
personnel changes; over the next two days
we shall take up possible changes in domestic and foreign policies.

Kadar's Position

Kadar's continued presence is perhaps the key factor in assuring continuation of a moderate course. The 62-year-old party leader will be participating in his fifth congress since taking over in 1956, and he apparently will do so with a firm hand on the political tiller. Considerable concern last year that he had lost some control stemmed from the precipitate demotion of several long-time associates in March. The earlier trimming of Kadar's moderate economic and cultural policies, persistent reports that Kadar's chronically poor health was worse, and suggestions that the Hungarian leader had tired of politics fueled speculation that he might give up his post.

Kadar has signaled his determination to stay on the job, however, by pursuing an unusually vigorous schedule since last March. Moreover, his triumphal reception in the Soviet Union in September quashed rumors

that he had lost favor in Moscow. Kadar's position appears to have remained firm for a number of reasons:

- --He has heeded domestic pressures and taken the lead in making changes.
- --He has remained responsive to Soviet wishes.
- --His presence is reassuring to wide segments of the population, and there is no obvious candidate to succeed him.

Murky Succession

The murky succession picture helps to bolster Kadar's pre-eminence, but it also endangers his moderate policies and perhaps, should he abruptly pass from the scene, even domestic tranquility. The designated number-two man in the party is Bela Biszku, who is considered completely loyal to Kadar. At 52, Biszku, reportedly shows little desire to hold the top job--and apparently has few of the requisite political skills. If he should assume the top post he would probably try to continue Kadar's policies, despite a strong reputation for conservatism stemming from his association with police and security matters.

A frequently mentioned dark-horse candidate is Karoly Nemeth, a 51-year-old Politburo member and former head of the powerful Budapest city party organization. Nemeth has moved more into the political limelight since last March, when he assumed the sensitive job of party secretary for economic policy. He seems to be a moderate, perhaps more attuned than his predecessor, Rezso Nyers, to the sociopolitical realities that limit the pursuit of economic reform. This is no liability in an aspiring party leader, but Nemeth reportedly has not been overly impressive in his new post as overseer of economic affairs. Moreover, responsibility for prickly economic matters is not the usual launching

pad to power in a Communist system. If Nemeth is being groomed for the succession, he presumably must be moved o an other responsibilities.

Part of the problem in judging potential successors is that the yard stick is Kadar, who has risen from the "bloody butcher of Budapest" in 1956 to become the symbol of moderation today. Consonant with his tolerant domestic policies, Kadar's political style has permitted a large dose of "party democracy" and free-wheeling discussion that would be dirficult for a less authoritative successor to emulate. Although he has political acumen, Kadar has not moved resolutely in personnel matters and consequently conservatives and liberals uneasily coexist within the party.

Personnel Changes

Despite Kadar's reluctance to make changes, there probably will be some top-level shifts at the congress. At a minimum, the Politburo seat left vacant by the death of Zoltan Komocsin will be filled. There could be a more widespread shuffling, including the departure from the Politburo of any or all of the three men who suffered political setbacks last March. In order of probability, the prospective departures from the leader-ship are:

Lajos Feher, 58, an advocate of economic decentralization and outspoken proponent of agricultural interests, who was stripped of major government responsibilities last March.

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vie dislike Feher, considering him little more than a "narodnik"--a peasant populist.

Rezso Nyers, a competent 51-year-old economist, whose career is closely linked with the economic reform.

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He was removed as party secretary for economic policy last March and consigned to the Economic Institute. A former Social Democrat, Nyers has no strong ideological inhibitions, and studies and borrows freely from Western economic thought. He is generally easygoing and unprovocative, but, in a rare exception, protested to the Soviets before the invasion of Czechoslovakia in 1968.

Gyorgy Aczel, 57, close adviser to Kadar on cultural matters since 1957, lost several key party jobs in the cultural field last March and became a deputy premier. A Kadar loyalist, Aczel has been a spokesman for moderate cultural policies and a broker in arranging backroom deals with disgruntled intellectuals.

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ground is an insuperable political liability in the strongly anti-Semitic Hungarian party.

Additional rumors of changes have focused on the Politburo's "old-timers"--Antal Apro, Dezso Nemes, and Gyula Kallai--and Premier Jeno Fock. The first three are to varying degrees conservative, doctrinaire, and as pro-Soviet as a Hungarian gets. None is extremely old, and none holds an important collateral position or has a significant domestic constituency. Nemes and Kallai appear the most likely to retain their posts, primarily because of their identification with ideology at a time when this is an asset.

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Newcomers to the Politburo are equally difficult to pick. In the past, new members have come from the party secretariat, the propaganda apparatus, and the

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CHRONOLOGY

March 4

Yugoslavia and East Germany sign in Belgrade their trade protocol for 1975 calling for a record level of \$500 million in commodity exchanges.

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The 26-nation Geneva disarmament conference, co-chaired by the US and the USSR, convenes for its first meeting of 1975.

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Polish Politburo convenes and accords an "important priority" to the expansion of economic relations with the US, approving a government statement on implementing the relevant agreements signed during party chief Gierek's visit to the US in October.

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Radio Moscow reports the PLO has named the head of its mission in the Soviet capital.

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Prominent sculptor Ernst Neizvestny is expelled from the Union of Soviet Artists after applying for permission to emigrate.

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Premier Kosygin tours Pechora and Vorkuta, two industrial cities in the northern Urals.

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Ethiopian military council delegation concludes an eight-day, official visit to Yugoslavia and begins talks in Bulgaria.

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1	Czechoslovak-Soviet friendship society marks its 50th anniversary; prominent attendes at Prague observance are Soviet party secretary Ponomarev and Czechoslovak party secretary Bilak; the Moscow session's guest list is headed by Politburo member Pelshe.	
March 5	Premier Kosygin leaves the Komi ASSR and visits a portion of the natural gas pipeline near Tyumen.	25
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	Deputy Foreign Minister Firyubin arrives in Laos from North Vietnam for an "unofficial" visit; he is the highest ranking Soviet official to visit Laos.	25
	Hungarian Foreign Minister Puja con- cludes a three-day, official visit to East Germany.	25
	Deputy Premier I. Novikov is named to head Soviet planning for the 1980 summer Olympic Games in Moscow.	25
1	Communist bloc party secretaries conclude their two-day meeting at Prague on ideological issues and confer with Czechoslovak party chief Husak.	
	Yugoslav-Swedish talks on economic relations open in Stockholm.	25

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25X1	Polish Foreign Trade Minister Olszewski begins an official visit to Romania.	
25X1	Bulgarian Deputy Premier Iliev begins an official visit to Romania to discuss coordination of economic plans for 1976- 1980.	
	FRG President Scheel and Chancellor Schmidt confer with visiting Bulgarian Foreign Minister Mladenov during his two-day visit to Bonn.	25X1
25X1	Polish party chief Gierek and Premier Jaroszewicz candidly discuss Poland's food shortages in speeches pegged to the coming International Women's Day.	
	A two-day symposium on Yugoslavia's very serious energy problems opens in Belgrade.	25X1
	Berlin issue forces an abrupt halt to Romanian-FRG negotiation of a research agreement.	25X1
March 6	Deputy Foreign Minister Firyubin confers with Laotian Prime Minister Souvanna Phouma at Vientiane and with Prince Souphanouvong at Luang Prabang.	25X1
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N. N. Inozemtsev, head of the USSR's Institute of World Economy and International Relations, begins a 12-day, official visit to the US.

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Deputy Foreign Trade Minister Grishin arrives in Baghdad for talks on Soviet-Iraqi economic relations.

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		Indonesian Foreign Minister Malik to commence a three-day, official visit to Bulgaria.
Ma	arch 16	Swedish Prime Minister Palme to begin a three-day, official visit to Yugoslavia.
Ma	arch 17	Hungarian party congress to open.
	25X1	Deputy Foreign Minister Kozyrev to head the Soviet delegation as the Law of the Sea conference resumes
		in Geneva.
Ma 25X1	arch 18	Yugoslav Premier Bijedic to begin a four-day, official visit to the US.
25X1	arch 18	Yugoslav Premier Bijedic to begin a
25X1 Ma		Yugoslav Premier Bijedic to begin a four-day, official visit to the US. French Prime Minister Chirac to commence a six-day, official visit

union delegation.

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